



DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
(B-57-2016)

Foreign-Trade Zone (FTZ) 92 – Harrison County, Mississippi
Notification of Proposed Production Activity
TopShip, LLC
(Shipbuilding)
Gulfport, Mississippi

The Mississippi Coast Foreign-Trade Zone, Inc., grantee of FTZ 92, submitted a notification of proposed production activity to the FTZ Board on behalf of TopShip, LLC (TopShip), located in Gulfport, Mississippi. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on August 30, 2016.

The request indicates that a separate application for subzone designation at the TopShip facility will be submitted. A subzone application would be processed under Section 400.31 of the Board's regulations. The TopShip facility is used for the manufacturing of ocean-going vessels. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials and components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt TopShip from customs duty payments on the foreign-status components used in export production. On its domestic sales, TopShip would be able to choose the duty rates during customs entry procedures that apply to: vessels for the transport of persons and goods; and, hulls (duty-free) for the foreign-status inputs noted below. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The components and materials sourced from abroad include: floor bonding and coating; plastic tubes and joints for generator sets; plastic flooring; plastic generator set spare parts; rubber hoses with

fittings; sealing rings; curtains; oil booms; rock wool; glass partitions; steel flanges; marine doors; small steel drums; steel metadisc fasteners; steel washers; steel fasteners; manholes; ladders; raceways; aluminum profiles; aluminum wall and ceiling panels; copper nickel flanges; bobbins; handrails; hollow aluminum profiles; aluminum profiles for door and window frames; tin battery boxes and parts; marine door parts; door mounts; aluminum cofferdams; aluminum electrodes; diesel engines; diesel engine parts; propulsion parts; ride control system parts; ride control systems; cables; marine engine spare parts; propulsion equipment; marine engine seals; main foil assemblies; vulkan shafts; manifold for engines; ride controllers; fuel pumps; heaters; fire dampers; ventilation equipment; intake filters; water separators; food waste handling system pumps; winches; straddle carriers; davits; ships spare bushings; computerized monitoring systems; solid waste processors; controls; thrusters; pressure valves; composite parts; bearings; shafts; gears; couplings; mechanical seals for water jets; propeller blades; anti-vibration mounts; AC multi-phase electric motors; electric motors not exceeding 373kW; electrical generators with output exceeding 750 kVA; davit parts; transformers; converter cabinet units; horns; bells; gongs; windshield wiper parts; computer parts; electrical equipment; central control units; power supplies; control systems containers; breakers; electrical terminals; bridge firefighting control panels; distribution panels; 20A, 20V power supplies; switchboards; electrical components; electrical cables; vibration control equipment; marine evacuation equipment; marine evacuation system life rafts and components; helm chairs; table brackets and plates; seats and accessories; furniture; seat parts; searchlights; and, bathroom modules (duty rate ranges from duty-free to 11.3%). The request indicates that curtains classified under HTSUS Subheading 6303.12 will be admitted to the zone in privileged foreign status (19 CFR 146.41) or domestic status (19 CFR 146.43), thereby precluding inverted tariff benefits on such items. The production activity under FTZ procedures would be subject to the “standard shipyard restriction”

applicable to foreign origin steel mill products, which requires that TopShip pay all applicable duties on such items.

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Elizabeth Whiteman at Elizabeth.Whiteman@trade.gov or (202) 482-0473.

Dated: September 1, 2016

Andrew McGilvray
Executive Secretary

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